THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) During visit of US Secretary of State Dr. Condoleezza Rice to India in March 2005, she told the media that the US had conveyed its concerns on the proposed gas pipeline cooperation between India and Iran. The US legal position on this issue flows from its Iran-Libya Sanctions Act (ILSA) of 1996 that provides for the imposition of sanctions against foreign companies that make an investment of more than US $ 20 million in one year in Iran's energy sector. No US official has, to date, directly stated that the proposed pipeline would be considered a violation of Iran-Libya Sanctions Act.

(c) The Government is pursuing the import of natural gas from Iran in national interest in order to meet the energy requirements of the country.

Oil production from Barmer-Sanchor basin

2371. SHRI RAMDAS AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether ONGC is proposing to start oil production from Barmer-Sanchor basin in Rajasthan;

(b) if so, by when it is expected to start production;

(c) whether the State Government of Rajasthan is willing to have a refinery of 7.5 million tonne capacity in the above area.

(d) whether ONGC and other oil companies have asked the State Government to grant concessions and subsidies which are of abnormal nature;

(e) if so, whether Government have examined the concessions asked for by these companies and feel justified; and

(f) if so, whether these concessions are at par with MoUs already signed by Government?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Yes, Sir.

(b) First oil is expected in 2008-09.

(c) Consequent on di-licensing of refinery sector in 1998, a refinery may be set up anywhere in India by a Private or Public sector enterprise. Therefore, it is not the Government, but a Public or a Private sector enterprise, which has to decide on setting up a refinery based on techno-economic feasibility.

(d) to (f) ONGC/MRPL has reported that the economic viability of the high investment requires fiscal incentives and other benefits from the Government of Rajasthan, are required. Accordingly, ONGC/MRPL have requested the State Government to consider the required fiscal incentives and support, for the viability of huge investments in the Well-head Refinery Project. On receipt of a favourable consideration of the incentive package and other support from the Government of Rajasthan, ONGC/MRPL would be able to draw the road map for development of the Refinery.

Many State Governments have agreed to grant consessions to enable companies to set up refineries. The quantuam of incentives may differ as per specific economics of the project, nature of crude, refinery configuration, market dynamics etc.

Delay in supply of LPG cylinders

2372. SHRI GIREESH KUMAR SANGHI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware of widespread complaints against the dealers of LPG delaying supply of LPG cylinders to consumers for periods ranging from one week to three weeks in several parts of the country;

(b) if so, the reasons therefor; and

(c) the remedial measures initiated by Government, to solve the problem?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c) Government is ensuring that adequate quantity of Liquefied Petroleum Gas (LPG) is available in the country. LPG supplies to distributors are being made by the Public Sector Oil Marketing Companies (OMCs) through indigenous production and imports in accordance with the genuine demand of